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Chron I

19 November 1952

Comptroller Acting Chief, Finance Olvision Pay and Allowances (Cable IN 49131) 25X1 This is in response to your request for a report on subject cable from which indicated that the Finance Division 25X1 had made a deduction from the employee's salary contrary to The occasion for the deduction was due to the fact that Headquarters had paid the individual Salary Differential in accordance with regulations, whereas the station had paid the individual a Temporary Lodging Allowance contrary to ___ dated 3 April 1952, 25X1 regulations, for the same period. In dispatch requested that Readquarters deduct from the individual's stateside allotment for the amount of the overpayment of differential that had been 25X1 made. The deduction referred to in subject cable was in line with this request although the action was not taken until the pay period beginning 14 September 1952. 3. The reason for delay in making the deduction requested was due to the following circumstances: a. Under the then existing regulations Temporary Lodging Allowance payment would be the sums to be collected rather than differential payments. b. On 19 March 1952, WH Division had requested authorization of the Personnel Director for payment of Temporary Lodging Allowance to employees of the station residing in 25X1 payments. 25X1 General Counsel held discussions on or about 1 June 1952, wherein they submitted a draft opinion which if published would immediately require collections from all station personnel who had received Temporary Lodging Allowance payments. e. It was determined at that time that there was a need to review the entire station assignment problem and the allowance problem relating thereto

f. WH Division made an informal request to the Personnel Division, assistance in preparing a Staff Study and a manber of Finance Division, confidential

in order to prevent hardships to individuals and to obtain a proper legal basis for the solution of the problem. On 18 June 1952, a memorandum was

written to WH Division indicating the legal objections to payments under

authorization then being used.

So Change in Class. Declassing

25X1

Ceneral Counsel and Personnel submitted an original study on 8 July 1952.

- g. On 4 August 1952, the study was returned by the Special Assistant to Assistant Decuty Director requesting a condensation and re-presentation of the study.
- h. This was accomplished on 14 August 1952, and final approval of the Director was given on 6 September 1952. Notification of the final approval was received in the Finance Division on 15 September 1952.
- 4. The adjustment in this individual's pay account was in line with the station request made in ______ and in accordance with the authorization 25X1 contained in the Staff Paper approved by the Director, Central Intelligence on 8 September 1952. Said adjustment was accomplished during the pay period 14 September 1952 to 11 October 1952, following receipt by the Finance Division of the Director's approval of said paper.

5. Kindly return the file.

25X1

Attachments

FD/FPB:mct

CONFIDENTIAL



